



February 6, 2024

House Committee on Economic Development and Small Business
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

RE: Letter of Support for House Bill 4042 – Extending the sunset for the Industrial Site Readiness Program and broadening the definition of “Electronic Commerce” within Oregon’s Enterprise Zone program.

Dear Chair Bynum and members of the Committee,

Economic Development for Central Oregon (EDCO) strongly supports HB 4042, which would extend the sunset for the RSIS (Regionally Significant Industrial Sites) program and provide critical funding for the first time since the program was established in 2013 and later amended in 2017. This program provides local communities a profit-sharing program, which reimburses community infrastructure investments from future income tax receipts from the State.

Shovel-ready sites in Oregon are difficult to find, particularly in less populated areas of the state, including but not limited to Central Oregon. This program provides a profit-sharing opportunity for local governments and property owners with a public sector partner for approved sites, sourced from future income tax collections. In the case of these tax-sharing reimbursements, those would not occur until a business locates, jobs are realized, and income taxes are generated. Therefore, funding the program results in little risk to the state but plays a large part in mitigating risk for local communities.

HB 4042 also broadens the definition of “Electronic Commerce” within the Oregon Enterprise Zone program to include semi-conductor related development. EDCO has several companies working within the semi-conductor industry with expansion plans over the next 1-5 years. Including this industry would add wider exemption benefits, by definition, further supporting this industry’s growth and job creation across Oregon.

EDCO is a private, non-profit organization serving the tri-county region of Crook, Deschutes and Jefferson Counties whose mission is to promote sustained job growth and prosperous communities through traded-sector industry growth. Our client base includes some of the highest paying companies who contribute to a large percentage of the tax base in Central Oregon. Presently we have two approved Regionally Significant Industrial Sites that would benefit from this program and future funding.

In a state like Oregon, which is inordinately dependent upon income tax as a primary source of revenue, there must be tools to create jobs. The RSIS program begins to address a critical funding gap to deliver infrastructure to essential employment lands across the state.

**Economic Development
for Central Oregon**

705 SW Bonnett Way, Suite 1000
Bend, OR 97702

541.388.3236

www.edcoinfo.com



We hope you will join us in supporting HB 4042. If you have any questions regarding my comments, please feel free to reach out to me directly. We appreciate the opportunity to share our perspective.

Sincerely,

A handwritten signature in black ink that reads "Jon Stark". The signature is written in a cursive style with a prominent initial "J".

Jon Stark, CEO
Economic Development for Central Oregon

**Economic Development
for Central Oregon**

705 SW Bonnett Way, Suite 1000
Bend, OR 97702

541.388.3236
www.edcoinfo.com